

Under the provisions of Section 413.031 of the Texas Workers' Compensation Act, Title 5, Subtitle A of the Texas Labor Code, effective June 17, 2001 and Commission Rule 133.305, titled Medical Dispute Resolution-General, and 133.307, titled Medical Dispute Resolution of a Medical Fee Dispute, a review was conducted by the Medical Review Division regarding a medical fee dispute between the requestor and the respondent named above.

### **I. DISPUTE**

1. a. Whether there should be additional reimbursement for dates of service (DOS) 03/21/02 and 04/05/02?  
b. The request was received on 06/19/02.

### **II. EXHIBITS**

1. Requestor, Exhibit I:
  - a. TWCC-60
  - b. TWCC-66a
  - c. EOB
  - d. Any additional documentation submitted was considered, but has not been summarized because the documentation would not have affected the decision outcome.
2. Respondent, Exhibit II:
  - a. TWCC-60
  - b. Any additional documentation submitted was considered, but has not been summarized because the documentation would not have affected the decision outcome.
3. The Commission requested two copies of additional documentation via a Fee Letter (MR116) that was mailed to the Requestor on 07/12/02. The Requestor did not respond per Rule 133.307 (g)(3). Therefore, the Commission could not forward any additional documentation to the Respondent per Rule 133.307 (g)(4). The Respondent's 3-day response is reflected in Exhibit II of the Commission's case file.

### **III. PARTIES' POSITIONS**

1. Requestor: none submitted
2. Respondent: none submitted

### **IV. FINDINGS**

1. Based on Commission Rule 133.307(d)(1&2), the only dates of service eligible for review are 03/21/02 and 04/05/02.
2. The carrier's EOB has the denial "F – REDUCED TO ESTIMATED USUAL & CUSTOMARY CHARGE BASED ON AVAILABLE RESEARCH, DATA, LABOR

MDR: M4-02-4067-01

CODE SEC. 413.043 AND 2002 PHARMACY FEE GUIDELINE, 28 TEX. ADMIN CODE 134.503 OR EBRX NETWORK AMOUNT.”

3. The following table identifies the disputed services and Medical Review Division's rationale:

DOS	CPT CODE	BILLED	PAID	EOB Denial Code	MARS	REFERENCE	RATIONALE:
03/21/02	J8499 Hydrocodone	\$35.93	\$10.65	F	\$29.75	Texas Workers' Compensation Act & Rules, Sec. 413.043 & Rule 134.503	<b>Rule 134.503 (a) The maximum allowable reimbursement (MAR) for prescription drugs shall be the lesser of: (1) The provider's usual and customary charge for the same or similar service; (2) The fees established by the following formulas based on the average wholesale price (AWP) determined by utilizing a nationally recognized pharmaceutical reimbursement system (e.g. Redbook, First Data Bank Services) in effect on the day the prescription drug is dispensed. (A) Generic drugs: ((AWP per unit) x (number of units) x 1.25) + \$4.00 dispensing fee = MAR;</b>  Effective 01/03/02, the reimbursement formula for a pharmaceutical is found in Rule 134.503. Based on that formula and the AWP, the MAR would be \$29.75 per DOS. The carrier has not submitted documentation that indicates the provider's usual and customary charge is less than this MAR. Therefore, the additional reimbursement of \$38.20 (the difference between the MAR and the amount reimbursed to date) is recommended.
04/05/02	J8499 Hydrocodone	\$35.93	\$10.65	F	\$29.75		
<b>Totals</b>		\$71.86	\$0.00				The Requestor is entitled to \$38.20 additional reimbursement.

## V. ORDER

Pursuant to Sections 402.042, 413.016, 413.031, and 413.019 the Medical Review Division hereby ORDERS the Respondent to remit \$38.20 plus all accrued interest due at the time of payment to the Requestor within 20 days receipt of this order.

This Order is hereby issued this 25<sup>th</sup> day of November 2002.

Larry Beckham  
Medical Dispute Resolution Officer  
Medical Review Division